

Modern Slavery and Human Trafficking Statement for the financial year ending 31 March 2021

About us

The Financial Ombudsman Service was set up under the Financial Services and Markets Act 2000 to resolve individual disputes between consumers and financial businesses – fairly, reasonably, quickly and informally. On 1 April 2019, our remit was extended to cover complaints from larger small and medium sized businesses and against claims management companies.

The service, based in Tower Hamlets, London resolved close to 250,000 complaints during the 2020/2021 financial year.

The Financial Ombudsman Service is a company limited by guarantee; we have no share capital and no shareholders.

As a values-led organisation guided by a strong sense of fairness, we're fully committed to preventing acts of modern slavery and human trafficking from occurring within our business and supply chain in line with the requirements of the Modern Slavery Act 2015 (the Act).

Areas of risk

Due to the nature of our business, we consider the inherent risk of modern slavery and human trafficking occurring in our business to be low. But nonetheless we take our responsibility to identify and effectively respond to any incidents of modern slavery and human trafficking very seriously.

Our people and suppliers

The service is classed as a "contracting authority" for the purposes of the Public Contracts Regulations 2015 and is therefore bound by them. As such we often make use of government frameworks such as those set up by the Crown Commercial Service.

Approximately 81% of our spend relates to people costs (including those relating to our property), with the majority of the remaining spend procured either via an EU/UK Find a Tender process, or compliant framework. In addition to the scrutiny and support provided within these frameworks, our procurement policy sets out how we keep our key suppliers under review to identify those with the greatest potential exposure to slavery. For these suppliers, we review their Modern Slavery Act statements and where these are unavailable, contact them to ensure compliance. Our template contracts include a clause that covers the Act and we verify our suppliers' commitment to the Act on an annual basis as part of our standard contract management practice.

Our policies

We have a number of internal staff policies which are designed to reduce the risk of modern slavery and facilitate reporting of any potential slavery instances. For example:

- Our pay policy ensures all our staff, including our apprentices, are paid at least the Real Living Wage rates.
- We also make sure that the staff we use through suppliers are paid at least the Real Living Wage rate.
- We have a “speak up” policy which encourages people to report any aspect of dishonesty or unfairness and we use an external whistleblowing provider, Safecall, to facilitate confidential and independent reporting.
- Our social responsibility and sustainability policy and action plan, which brings together a broad range of relevant commitments and practices including in relation to our people, procurement, the environment and the community.
- At the outset of the Covid-19 pandemic, we continued to pay our key suppliers in full. During the year, as it emerged that the government guidance for people to work from home if they could was likely to continue for some time, we took the decision (in accordance with the approach taken by the Financial Conduct Authority) to inform our suppliers (namely our catering team and cleaning partners) we would no longer continue to pay them as it was not necessary for them to undertake their full services in our buildings. As a result, the relevant suppliers put their staff on furlough. We ensured affected staff were not financially impacted by our decision by topping up the remaining 20% furlough salary difference. Our security teams continued to undertake work in our building during the year, so continued to be paid by us in full

We will continue to embed the importance of the Act into our procurement practices, checking that relevant suppliers and contractors understand their obligations under the Act and are committed to complying with the requirements it places on them. We will include these checks as part of our security auditing process.

Specific activities undertaken during 2020/2021 included introducing mandatory e-learning for all staff on our safeguarding policy (which includes modern slavery) and procedures so that employees are aware of their responsibility to respond to and report any issues relating to abuse or neglect (completion rate almost 95%). Our safeguarding procedures included the appointment of safeguarding leads within the service for customers, staff and all other people engaged with the service whether paid or unpaid. We also published case handling guidance on domestic and economic abuse and a briefing session was undertaken by one of our staff networks on modern slavery and human trafficking and the role we can all play to help bring slavery to an end.

On an ongoing basis, we will continue to brief our procurement and resourcing teams on the importance of modern slavery and how to identify and respond to suspected incidents of modern slavery and human trafficking. And across the service more generally, we will continue to make sure that staff are aware of our commitment to preventing acts of modern slavery and human trafficking and the ways in which they can raise any issues of concern. We’ll do this, and issue periodic reminders, through all appropriate channels, including staff induction, training and staff newsletters.

Signature:

Date: 20 July 2021



Chairman of the Board